Program Reviews

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Program Review – What Is It?

• A review by School Participation Team members of an institution’s compliance with the laws and regulations pertaining to the Title IV Financial Aid Programs
Types of Program Reviews

• General assessment review
  – Random sampling of files
  – Will do a general review of processes
  – Will look at other offices that have information FA needs

• Focused program review
  – Will focus on one program or process

• Standard program review or joint program review

• Off-site or on-site
The Program Review Process

• School selected for a program review
  – Announced or unannounced

• Review conducted
  – Typically 5 days; review files, policies, and fiscal procedures/records

• Program Review Report sent to school
The Program Review Process

• School responds to the Program Review Report

• Final Program Review Determination Letter (FPRD) sent to the school
  – The School has 45 calendar days to appeal any Final Determinations
The Reviewers are Coming…
What do you do?

• Announcement letter will include a request for information to be provided before the review or at review
• If you have any questions about what is requested, call and talk to the reviewer immediately
• Inform all the administrators at your school about the review
• Impress upon administration and staff the importance of the review
Entrance Interview

- Lead program reviewer will:
  - Outline activities for the week
  - Provide student sample for review
  - Explain scope and purpose of the review
  - Identify records needed and copies to be made
  - Clarify what is needed from whom
Entrance Interview

• Who should attend?
  – Financial Aid
  – Business Office
  – Admissions
  – Registrar
  – Systems/IT
  – Senior Management*
Assisting the Reviewers

• Help the reviewers understand your institution’s processes
• Arrange for staff to be available/provide requested documents
• Appoint a liaison to facilitate the review process
• Provide review team with space to work, preferably a private space
Access to Staff/Students

- Designate a knowledgeable contact person in each appropriate office
- Never restrict access to any staff member or student
- Ensure that a 3rd-party servicer contact is available (if applicable)
Facilitate Access to Records

• Provide requested records with little or no delay
  – PPA and ECAR
  – Accrediting agency/state agency
  – Documentation for all approved locations/programs
  – Completion and placement rates for short term programs (70%)
Facilitate Access to Records

– Academic records for student sample
– Student files
– Admission files
– Accounting records
– Records in the possession of a servicer
– Consumer information
– Catalogues/course descriptions
– Budgets/cost of attendance
Program Review Items

1. Institutional eligibility/issues
2. Student eligibility/issues
3. Fiscal records/financial management
4. Electronic reporting
A Note of Caution

• Don’t shred your files before the end of the record retention period!
Institutional Eligibility

- Eligible programs
- Eligible locations
- Clock-to-credit hour conversion
- Ability to benefit
- Contractual/consortium agreements
- Campus security
Institutional Eligibility

- Separation of duties
- Preferred lender list
- Fiscal review
- Financial responsibility
Student Eligibility

• Eligible student (HS diploma, citizenship, selective service, ATB, etc.)
• Award documentation
  – FAFSAs, ISIRs, award letters
• Cost of attendance/needs analysis
• ISIR corrections
• Enrollment status
Student Eligibility

- Verification
- Professional judgment
- Dependency overrides
- Conflicting information
- Attendance (if required)
Student Eligibility

- Calculation of aid
- Satisfactory academic progress
- Disbursement of aid
- Credit balances
- Return of Title IV Funds
Campus-Based Programs

• Perkins
• FWS
• FSEOG
Fiscal Review: Show Me Where the Money Went!

- Total drawdowns vs. disbursements
- Bank accounts/statements
- Returns/refunds of cash
- Excess cash
Fiscal Review: Show Me Where the Money Went!

- Reconciliation – Monthly and Yearly
  - G5
  - General ledger
  - Bank statements
  - COD
  - FISAP
Electronic Requirements

- Receipt of ISIRs
- IFAP updates
- Back-up systems
- Storage of documents
- COD reporting (Direct Loan, Pell)
Electronic Requirements

• NSLDS
  – (SSCRs, Perkins loans, overpayments, Transfer Student Monitoring)

• eZ-Audit

• G5

• Campus crime statistics

• IPEDS
Exit Conference

- Summarize deficiencies
- Inform officials of corrective actions
- Timeframes for follow-up activities
- Preliminary findings
  - Further research in office may add/combine/subtract findings from report
Exit Conference

• Who should attend?
  – Financial aid
  – Business office
  – Admissions
  – Registrar
  – Systems/IT
  – Senior Management*
Outcomes of Program Reviews

• No findings

• Findings
  – Require repayment of misspent funds
  – Could include payment of fines
  – Could require reconstruction of files

• Technical assistance or required training

• Appeal process
Program Review Report

• Identifies findings of non-compliance
• Identifies regulatory references and the harm caused by the institution’s error or non-compliance
• Includes required corrective actions as well as restitution
• School must respond to each finding in the program review report
Program Review Report

• PRR sent to school up to 75 days after review is completed
  – Timeframe depends on complexity of the report
  – Very complex reviews may require more than 75 days for report to be issued
Program Review Report

• School has 30-60 days to respond to the Program Review Report
  – Timeframe depends on complexity of review and/or need for file reviews
  – Extension can be granted on a case-by-case basis
Final Program Review Determination Letter (FPRD)

• Reviewer considers school response when drafting FPRD
• FPRD sent to school 30-90 days after receipt of school response
Final Program Review
Determination Letter (FPRD)

• Letter outlines actions the school must take to resolve findings
• Includes liabilities and payment instructions, if applicable
Final Program Review
Determination Letter (FPRD)

• School has 45 days to appeal any monetary liabilities
• Appeal instructions included in FPRD
• If no appeal, school follows instructions to resolve all findings
Common Findings – FY2010

• Return to Title IV Calculation Errors
• Return of Title IV Funds Made Late
• Verification Violations
• Student Credit Balance Deficiencies
• Entrance/Exit Counseling Deficiencies
• Consumer Information Requirements Not Met
  – Crime Awareness Requirements Not Met
Common Findings – FY2010

• Pell Over/Under Payments
• Lack of Administrative Capability
• SAP Policy Not Adequately Developed and/or Monitored
• Information in Student Files Missing or Inconsistent
Things to Remember…

• FSA School Participation Teams use holistic approach to review institutional performance
• Audits are a major factor in FSA review process
• Institutional self-assessment helps keep your institution healthy
FSA Assessments

• Self-assessment tool designed to assist schools in evaluating their financial aid policies, processes, and procedures

• Includes assessment modules on Students, Schools, Managing Funds, and Policies and Procedures

FSA Assessments

In collaboration with financial aid professionals, Federal Student Aid has designed management assessment modules to help schools enhance their services. The modules contain links to applicable laws and regulations. If you have questions regarding how to use this useful tool please visit our [FAQ page](#).

**This chart** features examples of specific compliance issues and provides recommendations for related assessments that your school may want to complete.

- ★ This denotes a new assessment.
- ★★ This denotes an updated assessment.

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Be Prepared

- Contact all other major offices that are involved with Title IV and coordinate and plan for the review (Admissions, Instructors, Owners, Director, Registrar, Systems, etc.)
- Have student files organized
- Keep reviewer informed if you have a problem meeting due date for school response
Be Prepared

• Financial Aid is an INSTITUTIONAL RESPONSIBILITY.

• Use audit and prior program review findings and recommendations to improve compliance

• Reconcile, Reconcile, Reconcile

• Understand the Regulations
REFERENCE MATERIALS

- For all years being reviewed: (www.ifap.ed.gov)
  - FSA Handbooks
  - Regulatory Compilation/Federal Registers
  - System User Guides (G5, COD, etc.)
  - Direct Loan Users Guide (if applicable)
  - Dear Colleague Letters
  - Electronic Announcements
  - Program Review Guide (2009)
Benefits of a Program Review and Audit

• Second level of confidence
• Identification of errors
• Opportunity for corrective action
• Eliminate future liabilities
• Establish relationship with Department of Education
Region I Training Officers

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